

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF Monday, January 28, 2008 MEETING

Board Members Present: Thomas Deller, Chairperson; Robert Batting, Vice-Chair; William Kennedy and Chuck Alves.

Also Present: Alfred J. Moscola (General Manager); Lori Caron Silveira and Richard Licht (Outside General Counsel); Andrew Prescott (Outside Labor Counsel); Henry Kinch; Deborah Dawson; Maureen Neira; Mark Therrien; Ellen Mandly, and other members of RIPTA's senior staff and members of the public whose names are listed on the meeting sign-in sheet.

Agenda Item 1: Approval of Minutes of December 17, 2007 Meeting

Mr. Deller opened the meeting and requested comments regarding the minutes of the December 17, 2007 meeting.

Mr. Batting questioned why certain issues discussed at the December Board meeting were not on the agenda for today's meeting. Lori Silveria said the minutes are a reflection of what occurred at the last meeting and can be voted on regardless of today's agenda and

discussions. Mr. Deller asked if there was a particular topic Mr. Batting wanted to discuss and he said he wanted to discuss the Rltechare issue. Mr. Deller said the Rltechare issue would be covered in the General Manager's report.

After this discussion Mr. Kennedy made a motion to approve the minutes as presented. Mr. Batting seconded Mr. Kennedy's motion and the minutes were unanimously approved.

Agenda Item 2: General Manager's Report

The General Manager said he had prepared a list of discussion items for today's meeting, however for the sake of brevity he would limit his remarks in order to focus on Rltechare issues. Mr. Moscola then gave a brief overview of fuel costs saying fuel remains high with a cost of \$2.80 per gallon last Friday. The fiscal year to date average is \$2.73 per gallon versus a budgeted amount of \$2.40.

The General Manager reported that RIPTA has taken over the maintenance of five (5) additional vehicles for RIDOT, bringing the total maintained by RIPTA to sixty (60). The additional five (5) vehicles are classified as "non-snow removal" vehicles, and RIPTA has been able to assume the additional vehicles without adding staff. He explained that since the DOT equipment that RIPTA is currently maintaining is in better condition than it was when RIPTA first began maintaining it; RIPTA can accommodate the maintenance of the

additional vehicles.

Mr. Moscola continued with his report, informing the Board that RIPTA intends to attempt to sell three (3) or four (4) of the 1999 trolleys. He continued that by doing so he would also reduce the parts inventory.

Mr. Moscola said that he had intended to discuss cleaning chemicals and research he had compiled on new trolley and bus purchases, however due to time constraints and the need to discuss the Rltechare issue, such discussion would be held until the next meeting.

Mr. Moscola reported that he has recently been corresponding with officials from the Department of Human Services regarding the anticipated changes to the Rltechare program, which he discussed with the Board at the last meeting. Mr. Moscola brought to the Board's attention a folder that had been distributed containing copies of correspondence between RIPTA and DHS, along with a chronology of the Rltechare Program from its inception.

The General Manger continued that RIPTA still has not received concrete information on the exact amount of the Rltechare reduction but based on conversations with DHS staff, it is anticipated that RIPTA may be experiencing a reduction of approximately \$7 million in revenue. As illustrated in the correspondence with DHS officials, RIPTA has continued to request updated information in order to

communicate with the Board and to make contingency plans. Mr. Moscola said RIPTA's priority would be to retain as much service as possible, but having said that, he continued saying "everything is on the table" including fleet size, sale of property and fare increases. Mr. Deller asked if RIPTA has applied for a supplemental budget adjustment to which Mr. Moscola replied that RIPTA has not done so and was waiting until the Governor's FY 09 budget was submitted. The General Manager added that RIPTA staff would meet with Rosemary Gallogly from the State Budget Office to discuss the changes to Rltechare and its effect on RIPTA's budget.

Mr. Batting stated that 56% of RIPTA's revenue comes from Rltechare, and referenced a letter dated December 19, 2007 to the General Manager from John Young of DHS. He continued that the letter indicated that the federal government might seek reimbursement for funds that were improperly paid for transportation. Mr. Deller responded that RIPTA is not responsible for the recovery of any funds, and Mr. Moscola replied that he too is concerned and he and staff have met with DHS a number of times in an attempt to get more specific information but have been unsuccessful. He indicated that if the federal government requires reimbursement for funds paid for transportation services, it would be DHS, not RIPTA who would be required to pay such reimbursement. Mr. Moscola continued that it would be his preference to come to the Board with definitive information, but unfortunately such information is not yet available. Mr. Batting stated it is his interpretation that DHS is eliminating

approximately 18,000 people from receiving bus passes. Mr. Therrien explained that DHS would still be responsible for ensuring that clients are able to get to their medical visits, and may purchase Riptks or 15-ride passes to distribute to clients. In addition, he continued that some people who are currently receiving bus passes through the Rltecare program, might become cash paying customers. Mr. Therrien continued that DHS will be submitting a plan for transportation to the federal government, which still uses RIPTA to some extent, but it is unclear to what extent.

Mr. Deller referenced the January 10th letter from DHS that indicates the State budget office is aware of the deficit this situation creates for RIPTA. He noted that it is anticipated that the State will make RIPTA whole for FY 2008, but dealing with FY 2009 deficit is RIPTA's responsibility. Mr. Deller asked how much time would be needed to implement any changes in service. Mr. Moscola responded that it is a six (6) month process and outlined the process to the Board. Mr. Deller added that it is important to note that the January 10th letter from Mr. Gary Alexander clearly indicates that DHS is aware that RIPTA's fiscal health is dependent upon how many passes and Riptiks are purchased by DHS and he urged RIPTA staff to remain in contact with DHS since the matter is extremely pressing. Mr. Moscola reminded the Board that if fixed route service were eliminated, the $\frac{3}{4}$ mile ADA corridor would be eliminated as well. Mr. Deller agreed saying people do not realize the ripple effects of cutting service, and asked staff to work on a fact sheet outlining such. Mr. Moscola

assured the Board that RIPTA would remain in close communication with DHS to ensure the most up-to-date information.

Mr. Batting asked about the report on the alternative vehicles to replace the trolleys. Mr. Deller responded that the General Manager already addressed this issue earlier in his report by informing the Board that he would postpone that discussion until next month in order to ensure sufficient time for the Rltecare discussion.

Next Mr. Deller discussed the dissemination of the Authority's executive session minutes and suggested a change to the process consistent with a change that was introduced at another agency where Mr. Deller serves as a board member. Mr. Deller suggested that in the future, RIPTA's executive session minutes should be passed out at the start of the meeting and collected and destroyed at the end of the meeting. The Board members agreed that this was a good procedure to implement and Mr. Deller instructed Mrs. Mandly to begin distributing executive session minutes in this way.

Agenda Item 3: Procedure for Selecting Grant Projects for FTA's New Freedom and JARC Programs

Mr. Therrien discussed the next agenda item which seeks the Board's approval of a selection and management procedure for grant funds from two FTA programs: New Freedom and Job Access/Reverse

Commute (JARC). Mr. Therrien explained that the FTA has established new rules for managing and dispersing funds associated with JARC, which RIPTA currently receives, and for the New Freedom program, a new funding source established to expand ADA accessible transportation service beyond the requirements of the law.

Mr. Therrien gave a brief overview of the process and noted that RIPTA took the lead in establishing a steering committee, which sought public comments on the plan. The steering committee now has a draft plan and will meet in the near future to review public comments. An independent committee will be established to manage the project selection process; RIPTA will not participate in the selection process beyond the level required by FTA guidelines for grant recipients. Mr. Therrien informed the Board that all contracts or purchases which cost more than \$50,000 would be subject to RIPTA Board approval prior to the onset of the project activity.

After a brief discussion, Mr. Alves moved that the procedure for selecting grant projects for New Freedom and JARC be approved as recommended by staff. Mr. Kennedy seconded the motion and it passed unanimously.

Agenda Item 4: RFP 08-14 Door Repair Services

Roger Mencarini addressed the Board to discuss RFP 08-14, Door

Repair Services. Approval of this contact would allow RIPTA to have a vendor available on an on-call basis to inspect, maintain and repair doors at the various locations. The bidders responded to the RFP and D & M Garage Door Sales from Cumberland submitted the bid with the lowest 5-year hourly rate. The proposed contract is for one year with up to four annual renewal options. The estimated annual cost, based upon historical usage, is \$45,000.

Mr. Batting said D & M had the lowest bid, but wondered how long they would take for repairs. Mr. Mencarini said staff could estimate the time needed for the repair to ensure that the work was performed within a reasonable period of time. Mr. Batting inquired as to the reason why RIPTA maintenance employees could not perform the repairs and Mr. Moscola replied that there are only eight (8) employees in the Building and Grounds department responsible for maintaining all of RIPTA's facilities, properties, and bus stops. Mr. Moscola added that when vacancies arise within the Building and Grounds department, RIPTA seeks to fill them with skilled individuals who can assist RIPTA in reducing reliance on outside contractors. He continued that in filling the last vacancy, RIPTA was able to eliminate a contract with an outside vendor who serviced the heating and air conditioning units.

Mr. Kennedy asked if there was a reason for the change from the previous vendor to which Mr. Mencarini replied that the previous vendor, Parma Door, had increased their prices when they responded

to the RFP. Mr. Mencarini continued that staff recommends the award of a one-year contract with up to four annual renewals to D & M Garage Door Sales. Mr. Kennedy moved to award the contract as recommended by staff. Mr. Batting seconded the motion and it passed unanimously.

Agenda Item 5: Public Comment

Mr. Deller requested public comments. No public comments were received and Mr. Deller moved on to the next agenda item.

Agenda Item 6: Executive Session

Mr. Deller moved that RIPTA adjourn to an executive session, as noticed on the agenda, under sections § 42-46-5(a)(1) to discuss personnel issues. Mr. Kennedy moved to adjourn and to convene an executive session; Mr. Batting seconded the motion. A roll call vote was taken on the motion to convene to executive session. All members voted to convene the executive session.

Following the Board's return to open session, Mr. Kennedy moved to seal the executive session minutes. Mr. Batting seconded the motion, which passed unanimously.

Agenda Item 7: Employment Contract

Mr. Deller addressed the next agenda item for an employment contract and asked for a motion. Mr. Kennedy made a motion to continue this agenda item and Mr. Alves seconded the motion. The motion to continue the discussion of an employment contract passed unanimously.

Agenda Item 8: Adjournment

Mr. Kennedy moved to adjourn the meeting; Mr. Batting seconded the motion, which passed unanimously.

Respectfully submitted,

Ellen M. Mandly

Secretary to the Board